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## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 688

## BY WAYS AND MEANS COMMITTEE

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1	AN ACT
2	RELATING TO THE DIVISION OF PURCHASING; AMENDING SECTION 67-5716, IDAHC
3	CODE, TO DEFINE A TERM AND TO PROVIDE AN EXCLUSION FROM A DEFINITION;
4	AMENDING CHAPTER 57, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW
5	SECTION 67-5728, IDAHO CODE, TO PROVIDE REQUIREMENTS RELATING TO
6	PROCURING AND PURCHASING PROPERTY BY CERTAIN STATE INSTITUTIONS OF
7	HIGHER EDUCATION; AND PROVIDING A SUNSET DATE.

- Be It Enacted by the Legislature of the State of Idaho:
- SECTION 1. That Section 67-5716, Idaho Code, be, and the same is hereby 9 amended to read as follows: 10
  - 67-5716. DEFINITIONS OF TERMS. (1) Acquisition. The process of procuring or purchasing property by the state of Idaho.
  - (2) Procurement. Obtaining property for state use by lease, rent, or any manner other than by purchase or gift.
  - (3) Property. Goods, services, parts, supplies and equipment, both tangible and intangible, including, but nonexclusively, designs, plans, programs, systems, techniques and any rights and interests in such property.
  - (4) Goods. Items of personal property, not qualifying as equipment, parts or supplies.
  - (5) Services. Personal services, in excess of personnel regularly employed for whatever duration and/or covered by personnel system standards, for which bidding is not prohibited or made impractical by statute, rules or generally accepted ethical practices.
  - (6) Parts. Items of personal property acquired for repair or replacement of unserviceable existing items.
  - (7) Supplies. Items of personal property having an expendable quality or during their normal use are consumed and which require or suggest acquisition in bulk.
  - (8) Equipment. Items of personal property which have a normal useful life expectancy of two (2) or more years.
  - (9) Component. An item of property normally assembled with other items into a unified productive whole at the site of use, which items belong to functional classes that may be interchangeable units of similar function but differing operational or productive capabilities.
  - (10) Vendor. A person or entity capable of supplying property to the
  - (11) Bidder. A vendor who has submitted a bid on a specific item or items of property to be acquired by the state.
  - (12) Lowest responsible bidder. The responsible bidder whose bid reflects the lowest acquisition price to be paid by the state; except that when specifications are valued or comparative performance examinations are conducted, the results of such examinations and the relative score of valued

specifications will be weighed, as set out in the specifications, in determining the lowest acquisition price.

- (13) Contractor. A bidder who has been awarded an acquisition contract.
- (14) Agency. All officers, departments, divisions, bureaus, boards, commissions and institutions of the state, including the public utilities commission, but excluding other legislative and judicial branches of government, and excluding the governor, the lieutenant governor, the secretary of state, the state controller, the state treasurer, the attorney general, and the superintendent of public instruction, and, as provided in section 67-5728, Idaho Code, excluding Lewis-Clark State College, Idaho State University, Boise State University and Eastern Idaho Technical College.
- (15) Bid. A written offer to perform a contract to purchase or supply property or services in response to an invitation for bid or request for proposal.
- (16) Recyclable. Materials that still have useful physical, chemical or biological properties after serving their original purposes and can, therefore, be reasonably reused or recycled for the same or other purposes.
- (17) Recycled-content product. A product containing postconsumer waste and/or secondary waste as defined in this section.
- (18) Postconsumer waste. A finished material which would normally be disposed of as a solid waste, having completed its life cycle as a consumer item.
- (19) Secondary waste. Fragments of products or finished products of a manufacturing process, which has converted a virgin resource into a commodity of real economic value and may include a postconsumer waste.
- (20) Open contract. A contract awarded by the state of Idaho through the division of purchasing to one (1) or more vendors who have agreed to allow all agencies to procure or purchase specified property under the terms and conditions set forth in the contract.
- SECTION 2. That Chapter 57, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 67-5728, Idaho Code, and to read as follows:
- 67-5728. PROCURING AND PURCHASING BY STATE INSTITUTION OF HIGHER ED-UCATION. (1) For the purposes of this section, "state institution of higher education" means Lewis-Clark State College, Idaho State University, Boise State University and Eastern Idaho Technical College.
- (2) Any state institution of higher education may establish policies and procedures for procuring and purchasing property that shall be substantially consistent with the requirements for procuring and purchasing property as set forth in this chapter and that shall be approved by the state board of education. When the state board of education has approved such policies and procedures for a state institution of higher education, such institution shall not be subject to the provisions of this chapter, except as provided in subsection (3) of this section.
- (3) When the state enters into an open contract, no state institution of higher education that has established policies and procedures pursuant to subsection (2) of this section shall fail to utilize such contract without justifiable cause for such action, pursuant to the provisions of subsection (4) of section 67-5726, Idaho Code.

SECTION 3. The provisions of this act shall be null, void and of no force and effect on and after July 1, 2013.